

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 7

11201 Renner Boulevard Lenexa, Kansas 66219

DEC 1 9 2016

<u>CERTIFIED MAIL</u>
RETURN RECEIPT REQUESTED

Article Number: 7013 3020 0001 1645 1213

Mr. Mark Cunningham Senior Vice President, Pipeline Operations Holly Energy Partners 2828 N Hardwood Suite 1300 Dallas, Texas 75201

RE: Clean Air Act Section 114 Information Request

AFS ID # 20-015-00029

Dear Mr. Cunningham:

The U.S. Environmental Protection Agency hereby requires Holly Energy Partners, LP (Holly Energy Partners) to provide information about the tanks specified below located at 1480 S.W. Purity Springs Road in El Dorado, Kansas. This request is part of an EPA investigation to determine the Clean Air Act compliance status of the facility.

On September 23, 2015, an EPA inspector viewed volatile organic compound emissions from Holly Energy Partners' Tanks using a FLIR GF320 infrared gas-imaging camera. The FLIR videos, which the EPA previously provided to Holly Energy Partners, indicated plumes of VOCs escaping from the rim seals of the tanks.

The following tanks emitted VOCs in sufficient quantities to be observable with an infrared gas-imaging camera:

Tank	Emissions Points
4125	Secondary Seal
4153	Secondary Seal
4156	Secondary Seal
4158	Secondary Seal, Rim Vent
4158	Secondary Seal, Rim Vent

To follow up on these observations, we are requiring the information outlined in Appendix B for the tanks mentioned above.

The EPA is issuing this information request under Section 114(a) of the Clean Air Act (the Act), 42 U.S.C.§ 7414(a). Section 114(a) authorizes the Administrator of the EPA to require any person who operates emission control sources to provide information for the purpose of determining whether any person is in violation of any provision of the Act. This authority is delegated to the Director of the Air and Waste Management Division, EPA Region 7, in Lenexa, Kansas.



Please mail the required information within 45 days of your receipt of this letter to:

Attn: Mr. Joe Terriquez

U.S. EPA Region 7 AWMD/APCO 11201 Renner Blvd Lenexa, KS 66219

Under 40 CFR Part 2, Subpart B, you may assert a claim of business confidentiality for any portion of the submitted information. You must specify the page, paragraph and sentence when identifying the information subject to your claim. Appendix A specifies the assertion and substantiation requirements for business confidentiality claims.

Holly Energy Partners must submit all requested information under an authorized signature with the following certification:

I certify under penalty of law that I have examined and am familiar with the information in the enclosed documents, including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to section 113(c)(2) of the Act, and 18 U.S.C. §§ 1001 and 1341.

The EPA may use any information submitted in response to this request in an administrative, civil or criminal action.

This request is not subject to the Paperwork Reduction Act, 44 U.S.C. §§ 3501 et seq., because it seeks collection of information from specific individuals or entities as part of an administrative action or investigation. To aid in EPA's electronic record keeping efforts, please provide the required information without staples. Paper clips, binder clips and 3-ring binders are acceptable.

Failure to comply fully with this request for information may subject Holly Energy Partners LLC to an enforcement action under Section 113 of the Act, 42 U.S.C. § 7413.

You should direct any questions about this request for information to Mr. Joe Terriquez, Air Permitting and Compliance Branch, at (913) 551-7105, or Mr. Alex Chen, Office of Regional Counsel, at (913) 551-7962.

Sincerely,

John J. Smith Deputy Director

Air and Waste Management Division

Appendix A

You may assert a business confidentiality claim covering all or part of the information you provide in response to this information request for any business information entitled to confidential treatment under Section 114(c) of the Clean Air Act (the Act), 42 U.S.C. § 7414, and 40 C.F.R. Part 2, subpart B. Under Section 114(c) of the Act, you are entitled to confidential treatment of information that would divulge methods or processes entitled to protection as trade secrets. Under 40 C.F.R. Part 2, subpart B, business confidentiality means "the concept of trade secrecy and other related legal concepts which give (or may give) a business the right to preserve the confidentiality of business information and to limit its use or disclosure by others in order that the business may obtain or retain business advantages it derives from its rights in the information." See 40 C.F.R. § 2.201(e).

Information covered by a claim of business confidentiality will be disclosed by EPA only to the extent, and by means of the procedures, set forth in Section 114(c) of the Act and 40 C.F.R. Part 2, subpart B. EPA will construe your failure to furnish a business confidentiality claim with your response to this information request as a waiver of that claim, and the information may be made available to the public without further notice to you.

To assert a business confidentiality claim, you must place on (or attach to) all information you desire to assert as business confidential either a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as "trade secret," "proprietary," or "company confidential" at the time you submit your response to this information request. Allegedly confidential portions of otherwise non-confidential documents should be clearly identified, and may be submitted separately to facilitate identification and handling by EPA. You should indicate if you desire confidential treatment only until a certain date or until the occurrence of a certain event.

The criteria EPA will use in determining whether material you claim as business confidential is entitled to confidential treatment are set forth at 40 C.F.R. §§ 2.208 and 2.301. These regulations provide, among other things, that you must satisfactorily show that: (1) the information is within the scope of business confidentiality as defined at 40 C.F.R. § 2.201(e), (2) that you have taken reasonable measures to protect the confidentiality of the information and that you intend to continue to do so, (3) the information is not and has not been reasonably obtainable by legitimate means without your consent, and (4) the disclosure of the information is likely to cause substantial harm to your business's competitive edge. See 40 C.F.R. § 2.208 (a)-(d). Emission data, as defined at 40 C.F.R. § 2.301(a)(2), is expressly not entitled to confidential treatment under 40 C.F.R. Part 2, subpart B. See 42 U.S.C. § 7414(c); 40 C.F.R. § 2.301(e).

In addition, EPA is providing you notice that if you assert a claim of business confidentiality in connection with information and documents forwarded in response to this request for information, EPA will determine whether such information is entitled to confidential treatment pursuant to 40 C.F.R. Part 2, subpart B. Accordingly, after EPA's receipt of your business confidentiality claim, you will receive a letter inviting your comments on the following questions:

1. What specific portions of the information are alleged to be entitled to confidential treatment? Specify by page, paragraph, and sentence when identifying the information subject to your claim.

- 2. For what period of time do you request that the information be maintained as confidential, <u>e.g.</u>, until a certain date, until the occurrence of a specified event, or permanently? If the occurrence of a specific event will eliminate the need for confidentiality, specify that event. Additionally, explain why the information should be protected for the time period you've specified.
- 3. What measures have you taken to protect the information claimed as confidential from undesired disclosure? Have you disclosed the information to anyone other than a governmental body or someone who is bound by an agreement not to disclose the information further? If so, why should the information still be considered confidential?
- 4. Is the information contained in any publicly available material such as the Internet, publicly available databases, promotional publications, annual reports, or articles? Is there any means by which a member of the public could obtain access to the information? Is the information of a kind that you would customarily not release to the public?
- 5. Has any governmental body made a determination as to the confidentiality of the information? If so, please attach a copy of the determination.
- 6. For each category of information claimed as confidential, explain with specificity whether disclosure of the information is likely to result in substantial harm to your competitive position. Explain the specific nature of those harmful effects, why they should be viewed as substantial, and the causal relationship between disclosure and such harmful effects. How could your competitors make use of this information to your detriment?
- 7. Is there any other explanation you deem relevant to EPA's determination of your business confidentiality claim that is not covered in the preceding questions? If so, you may provide such additional explanation.

See 40 C.F.R. § 2.204(e)(4). When you receive such a letter, you must provide EPA with a written response within the number of days set forth in the letter. EPA will construe your failure to furnish timely comments as a waiver of your confidentiality claim, consistent with 40 C.F.R. § 2.204(e)(1).

Appendix B

- 1. Provide the following information for each tank at the facility:
 - a. Indicate which State and Federal regulations are applicable for each specific tank.
 - b. The most recent API 653 (Aboveground Storage Tanks) inspection reports (and indicate the projected date of the next API 653 inspection);
 - c. The last 5 years of tank inspection and maintenance documents, including work orders and invoices for repairs for components in items d (ii-x);
 - d. Tank design characteristics, such as:
 - i. Date of construction
 - ii. Number and type of tank deck fittings;
 - iii. Number and type of rim vents;
 - iv. Number and type of guide poles;
 - v. Maximum liquid height of tank;
 - vi. Number and type of pressure and or vacuum vents;
 - vii. Number and type of pontoons;
 - viii. Type and date of installation of current primary seal;
 - ix. Type and date of installation of current secondary seal;
 - x. Additional control devices, i.e. leg socks, gauge pole wiper, pole float;
 - xi. Number of turnovers for each tank in the past 3 years;
 - xii. Indicate if the tanks are heated or capable of being heated;
 - xiii. Maximum Pump rate in gal/hr; and
 - xiv. Reed Vapor Pressure of product stored in each tank
 - e. Describe and provide tank emission calculations for the past 3 years in electronic format PDF or Excel versions of submitted Emissions inventory are acceptable (if using TankESP by TGB Partnership provide copies of the "TankInfo" table and the "FloatingRoofInfo" table).
- 2. With respect to the unsecured hatch or manway cover on tank 4156, as seen in the video taken by the inspector (MOV_1028), answer the following questions:
 - a. On what date was the hatch or manway on tank 4156 re-secured after inspection?
 - b. Are work orders or maintenance documents required to open hatches or manways? If so, provide the work order for the opening and the closing of the hatch on tank 4156.
 - c. Provide Holly Energy Partners' operating procedures for when access hatches or manways on tanks are to be opened, for what purpose, and the length of time the hatches or manways are to be left unsecured.